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Suzanne Henderson

CHEAPEAKE ENERGY CORP. ATTN: RECORDING TEAM P.O. Box 18496 Oklahoma City, OK 73154

Submitter: Chesapeake Operating, Inc.

## DOCUMENT E-RECORDED IN THE COUNTY RECORDS

## **DO NOT DESTROY**

## WARNING - THIS IS PART OF THE OFFICAL RECORD

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NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY number or your driver's license number.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision

## PAID UP OIL AND GAS LEASE

(No Surface Use)

This lease agreemen	T is made this 13 day	OF MARCH	2008, by and between	KHAI K	160C PHA	M/TONY	KHAL	PHAM
	2365 SHIR	ECREEK CIR	GRAND TRAINE	HONG T	HI DINH	POSE	Huld	PHAM
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And CHESAPEAKE EXPLORATION, L.L.C., an Okiahoma limited liability company, P.O. Box 18496, Okiahoma City, Okiahoma 73,154-0496, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, lesses and lets exclusively to Lessee the following de

0.236 acres of land, more or less, being RIKS 1713 out of the Kick Creek I lage an addition to the city of Grant Partie Texas, being more particularly described by metes and bounds in that certain General Warrant Described in 17-06-1987 Volume 2997, Page 2345, of the Need Records, of County, Texas;

more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and meritating oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/sets/nic operations). The term "gas" as used herein includes halitum, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any similarities or parcels of land now or harbaffer owned by Lessor which are configuous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessor's request any additional or supplemental instruments for a more compilate or accurate description of the land so covared. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of five (5) years from the date hereof, and for as long thereafter as of or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

- gas or owner soussances covered nergoy are produced in paying quantities from the leased premises or from lands pooled increwith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

  3. Royalifes on oil, gas and other substances produced and saved hereunder shall be paid by Leasee to Leasor as follows: (a) For oil and other liquid hydrocarbons separated at Leasee's experientor facilities, the royally shall be twenty percent (20%) of such production, to be delivered at Leasee's option to Leasor at the wallhead or to Leasor's credit at the oil purphaser's transportation facilities, provided that Leasee shall have the continuing right to purchase such production at the wallhead or then prevailing in the same field (or if there is no such price then prevailing in the same field in which there is such a prevailing price) for production of the prevailing that the prevailing in the same field in which there is such a prevailing by Leasee from the sale thereof, leas a proportionate part of ad valorem taxes and production, severence, or other excise taxes and the costs incurred by Leasee, provided that Leasee shall have the continuing right to purchase such production at the prevailing wellhead processing or otherwise marketing such gas or other substances, provided that Leasee shall have the continuing right to purchase such production at the prevailing wellhead processing or otherwise marketing such gas or other substances, provided that Leasee shall have the continuing right to purchase such production at the prevailing wellhead processing or otherwise marketing such gas or other substances, provided that Leasee shall have the continuing right to purchase such production at the prevailing wellhead processing or otherwise marketing such production of similar quality in the same field (or if there is no such price then prevailing in the same field, than in the nearest field in which there is such as production of similar quality in the same field, than in the nearest field in which there i
- 4. All shut-in royally payments under this lease shall be paid or tendered to Lessor's credit in <u>at Lessor's address above</u> or its successors, which shall be Lessor's depository agent for receiving payments regardless of changes in the ownership of salid land. All payments or tenders may be made in correctly, or by which shall be Lessor's depository agent for receiving payments regardless of changes in the US Mails in a stamped envelope addressed to the depository or to the Lessor at the lest address known to Lessee shall constitute proper payment. If the depository should figuilitie or be succeeded by another institution, or for any reason laif or refuse to accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution as depository agent to necesive payments.
- payments.

  5. If Lessee drills a well which is incapable of producing in paying quantities (hereinater called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a ravision of unit boundaries pursuant to the provisions of Paragraph 8 or here action of ally governmental authority, then in the event this lesse is not otherwise; being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith 90 days after such cessation of all production. If at the end of the primary term, or at any time within 90 days after completion of operations on such dry hole or within 90 days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production therefrom, this lease shall remain in force so long as any one or more of such operations are prosecuted with no cessation of more than 90 consecutive restore production therefrom, this lease shall remain in force so long as any one or more of such operations are prosecuted with no cessation of more than 90 consecutive restore production thereform, this lease shall remain in force so long as no other authstances covered hereby, as long thereafter as there is production in paying quantities for authstances of leased premises or lands pooled therewith. After completion of a well capable of producing in paying quantities in the production of a well capable of producing in paying quantities on the leased premises or lands pooled therewith as a reasonably prudent operator would drift under the same or similar circumstances to (a) develop the leased premises or lands pooled
- drainage by any well or wells located on other lands not pooled therewith. There shall be no coverant to drill exploration wells or any additional wells except as expressly provided harvain.

  S. Lesses shall have the right but not the obligation to pool all or any part of the lessed premises or histered therein with any other lands or interests, as to any or all exhibitances covered by this lesse, either before or after the commencement of production, whenever Lessee deman's inconseasty or proper to do so in order to prudently develop-or operate the lessed premises, whether not similar proper good and the production of the proper to do so in order to prudently develop-or operate the lessed premises, whether not similar proper good and the production of the production shall not exceed 640 acres plus a maximum arrange televant of exceed 650 acres plus a maximum arrange televant of exceed 650 acres plus a maximum arrange televant of exceed 650 acres plus a maximum arrange televant of exceed 650 acres plus a maximum arrange televant of exceed 650 acres plus a maximum arrange televant of exceed 650 acres plus a maximum arrange televant of 19%; provided a larger with two plus former of 19%; provided be any or the appropriate of the foregoing, the terms "oil well" and "gas well" shall have the meaning the prescribed or permitted by applicable law or the appropriate governmental authority, or, if no desirition like to record of well missans a well with an initial gas-oil ratio of the strength of the production of the production and are all the term "inchinated age-oil ratio of resort and the term "inchinated age-oil ratio of the inchinated age-oil ratio of the ground or and the term "inchinated age-oil ratio of the inchinated age-oil ratio of the ground or production and the strength of the age-oil ratio of the production and the production of the ground or the production of

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persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of arising with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, then held by each. pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreace interest retained hereunder.

It Lesses releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalises shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unlitzed herewith, in proportionately for chanced receivery. Lessee shall have the right of ingress and egrees along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of made, canals, peptiens, reasonably necessary for such purposes, including but not limited to geophysical operations, the right of conduct such operations and use of made, canals, peptiens, reasonably necessary for such purposes, including but not limited to geophysical operations, the relations of the results and the construction and use of made, canals, peptiens, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises of the results and the period of the results and the sace and the results and the results and the results of the results and the resu

other tracts of tand and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shul-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

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essee has been furnished satisfactory evidence that such claim has been resolved.  16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not perations.					
perations.  IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written eirs, devisees, executors, administrators, successors and assigns, whether or not this lease it	above, but upon execution shall be binding on the signatory and the signatory's has been executed by all parties hereinabove named as Lessor.				
	ARA				
ESSOR (WHETHER ONE OR MORE)	KHAI NGOC PHAM/TO NY KHAI THAM				
Kur Ngoz Preum AKA	KHAI NGOC PHAM/TONY KHAI PHAM HONGTHI DINH/ROSE DINH PHAM				
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ACKNOWLEDG	MENT				
his instrument was acknowledged been	March 2008, by Lagle				
JOYCE KAHLE Notary Public, State of Texas My Commission Expires December 21, 2011 ACKNOWLEDG	Notary Public, State of Texas Notary's name (printed): Notary's commission expires:  SMENT				
STATE OF TEXAS	Record & Return to:				
COUNTY OFday of _	——— <sup>20</sup> — by Chesaneake Operating, Inc.				
	Notary Public, State of Texas Oklahoma City, OK 73154 Notary's commission expires:				
CORPORATE ACKNO	OWLEDGMENT				
STATE OF TEXAS					
COUNTY OF day of day of corporation, on behalf of sa	aid corporation.				
	Notary Public, State of Texas Notary's name (printed): Notary's commission expires:				
RECORDING INF	ORMATION				
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County of	, 20, ato'clockM., and duty recorded in				
This instrument was filed for record on the	, 20, at				
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ByClerk (or Deputy)					